GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:474
ANSWERED ON:01.03.2007
IMPORT OF LNG
Khan Shri Mohammad Tahir;Yadav Shri Baleshwar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether in view of the various hurdles in pipeline projects, the Government is considering direct import of liquefied natural gas from the foreign countries;

(b) if so, whether any agreements in this regard have been signed or proposed to be signed with foreign countries;

(c) if so, the details thereof, and

(d) the total quantity, likely to be imported therefrom, country-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (d) : In order to meet existing shortfall and growing demand of natural gas in the country, Government is also pursuing the import of Liquefied Natural Gas (LNG).

Petronet LNG Ltd. (PLL) has signed contract with RasGas Qatar for import of 7.5 MMTPA LNG for a period of 25 years. RasGas Qatar is already supplying 5 MMTPA LNG and the supply of balance 2.5 MMTPA LNG would commence from mid 2009.

GAIL, IOC and BPCL have signed contracts with National Iranian Gas Export Company (NIGEC) on June 13, 2005 for import of 5 MMTPA LNG, which is scheduled to commence from 2009. Simultaneously, the parties also signed a side letter to the LNG SPA, as per which NIGEC had to obtain the approval of their parent company, National Iranian Oil Company (NIOC), for the SPA to become effective. NIGEC has not obtained the approval of NIOC's Board till now.

PLL is setting up 2.5 MMTPA LNG Terminal, with a provision for expansion to 5 MMTPA, at Kochi. PLL is at advanced stage of negotiations with Exxon Mobil for import of 2.5 MMTPA LNG from LNG project at Gorgon, Australia for Kochi LNG Terminal.

GAIL and PLL are holding discussions with various potential suppliers of LNG for import of LNG on long-term basis from the year 2009 onwards for Dabhol LNG Terminal.

PLL and M/s Shell Hazira LNG Pvt. Ltd. also import some cargoes from the spot market.